



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
FINANCIAL AFFAIRS SECTION / ANALYTICAL UNIT 0576
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243
(615) 741-1670

TO: ALL NEW YORK DOMICILED COMPANIES

RE: RETALIATORY TAX INFORMATION FOR TAX RETURNS
NEW YORK FORM CT-33 AND CT-33M

As in the past, this department requires information acquired from the New York Form CT-33 (Franchise Tax Return for Insurance Corporations) and CT-33M to be included as a part of the retaliatory tax calculation. Specifically, we are requesting that a copy of the New York Franchise Tax Return, Article 33 (Form CT-33) and CT-33M be completed using Tennessee premiums and wages to calculate the allocation percentage. Following you will find a summary of the New York CT-33. It is requested that this summary be completed and mailed in with the completed copy of the Form CT-33 and CT-33M calculated on a Tennessee basis.

Tenn. Code Ann. § 56-4-218 requires the Commissioner to make a comparison of total tax and fee burden a foreign company would pay to Tennessee versus what a like or similar Tennessee insurance company would pay in another state, in this case New York. The New York income tax must be included in this comparison in addition to the tax on premiums or any other fees which may be due on a New York basis.

We realize that many New York companies are unable to complete the above forms prior to the due date (March 1), which is the due date of the Statement of Premiums and Fees for Taxation form IN-0579 or IN-0581. Therefore, to avoid the monetary penalties set forth in Tenn. Code Ann. § 56-4-216, the instructions listed below must be followed:

1. To avoid the ten percent (10%) interest, the CT-33 information using Tennessee premiums and wages must be filed by March 1 and payment thereon included with the tax filing, even if estimated amounts must be used.
2. To avoid the five percent (5%) penalty [for each of the first two (2) months] and the additional one-half percent ($\frac{1}{2}\%$) for each month thereafter, a **REQUEST FOR EXTENSION OF FILING TIME** for the CT-33 information for a period not to exceed 60 days may be granted for good cause shown provided the **REQUEST FOR EXTENSION IS RECEIVED AND GRANTED PRIOR TO THE DUE DATE, MARCH 1**. However, if an extension is requested and granted, this does not relieve the company from the ten percent (10%) interest on any retaliatory tax amount which was due on March 1.

Please remember that the following summary and a copy of the New York Franchise return and the CT-33M filed on a Tennessee basis is due in this department on or before March 1 and to avoid the late filing penalty, a request for an extension of filing the New York CT-33 and CT-33M information must be received by the due date, March 1. Interest will be attached if adequate payment is not made on or before March 1. If estimated amounts are used in the calculation, please indicate so on the forms.

Your close cooperation on this request is appreciated. Should you have any questions, please mail your request to the attention of the Tax Audit Section or contact the Tax Audit Section at (615) 741-1670.

RETALIATORY TAX COMPUTATION
NEW YORK STATE FRANCHISE TAX
(Article 33 of New York State Tax Law)

NAIC CO. CODE [] [] [] [] []
Name of Company _____
Officer's Signature _____
Name (Print) _____
Title _____ Date _____

TENNESSEE BASIS		*Tennessee Allocated Amount	Multiply By Rate	TAX AMOUNT
RATE BASE				
Largest of the Following:				
(1)	Entire New Income	_____	x 7.5%	_____
(2)	Officers Compensation Alternative	_____	x 7.5%	_____
(3)	Per \$1 of Business and Investment Capital	_____	x .0016	_____
(4)	Minimum	XXXXXXX	XXXXXX	<u>\$250.00</u>
PLUS:				
(5)	Per \$1 of Subsidiary Capital	_____	x .0008	_____
PLUS: Premiums on risk located on resident in Tennessee				
(6)	Life Premiums	_____	x .7%	_____
(7)	Accident & Health Premiums	_____	x 1.75%	_____
(8)	Property and Casualty Premiums Maximum	_____	x 2.0%	_____
(9)	CT-33 TAX ON TENNESSEE BASIS (add the largest of items 1 through 4 to items 5, 6, 7, and 8--this line should not exceed 2% of taxable premiums in lines 6, 7, and 8)			_____
(10)	Tax surcharge at _____% (multiply tax due by appropriate rate)			_____
(11)	List any retaliatory tax due from form CT-33M on a Tennessee retaliatory basis (Attached Form CT-33M)			_____
(12)	Total of CT-33, tax surcharge, and CT-33M. If line 12 is greater than total taxes paid to Tennessee for the above year, remit the difference on Line 13. If less, enter 0 on line 13.			_____
(13)	Retaliatory tax due with this report.			\$ <div></div>

Return forms to: Tennessee Department of Commerce and Insurance
Attn: Premium Tax Section
Division of Insurance
P. O. Box 198983
Nashville, TN 37219
(615) 741-1670

*TN Allocation Percentage in Schedule E (CT-33) _____ %